



# PRESS RELEASE

Federal Deposit Insurance Corporation • Each Depositor insured to at least \$250,000

**FOR IMMEDIATE RELEASE**  
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## **First Citizens Bank, Luverne, Alabama, Assumes All of the Deposits of First Lowndes Bank, Fort Deposit, Alabama**

First Lowndes Bank, Fort Deposit, Alabama, was closed today by the Alabama Banking Department, which appointed the Federal Deposit Insurance Corporation (FDIC) as receiver. To protect the depositors, the FDIC entered into a purchase and assumption agreement with First Citizens Bank, Luverne, Alabama, to assume all of the deposits of First Lowndes Bank.

The four branches of First Lowndes Bank will reopen under normal business hours beginning Saturday as branches of First Citizens Bank. Depositors of First Lowndes Bank will automatically become depositors of First Citizens Bank. Deposits will continue to be insured by the FDIC, so there is no need for customers to change their banking relationship to retain their deposit insurance coverage. Customers should continue to use their former First Lowndes Bank branch until they receive notice from First Citizens Bank that it has completed systems changes to allow other First Citizens Bank branches to process their accounts as well.

This evening and over the weekend, depositors of First Lowndes Bank can access their money by writing checks or using ATM or debit cards. Checks drawn on the bank will continue to be processed. Loan customers should continue to make their payments as usual.

As of December 31, 2009, First Lowndes Bank had approximately \$137.2 million in total assets and \$131.1 million in total deposits. First Citizens Bank did not pay the FDIC a premium to assume all of the deposits of First Lowndes Bank. In addition to assuming all of the deposits, First Citizens Bank agreed to purchase essentially all of the failed bank's assets.



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at [www.fdic.gov](http://www.fdic.gov), by subscription electronically (go to [www.fdic.gov/about/subscriptions/index.html](http://www.fdic.gov/about/subscriptions/index.html)) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). PR-61-2010

The FDIC and First Citizens Bank entered into a loss-share transaction on \$104.1 million of First Lowndes Bank's assets. First Citizens Bank will share in the losses on the asset pools covered under the loss-share agreement. The loss-share transaction is projected to maximize returns on the assets covered by keeping them in the private sector. The transaction also is expected to minimize disruptions for loan customers. For more information on loss share, please visit: <http://www.fdic.gov/bank/individual/failed/lossshare/index.html>.

Customers who have questions about today's transaction can call the FDIC toll-free at 1-800-450-5417. The phone number will be operational this evening until 9:00 p.m., Central Daylight Time (CDT); on Saturday from 9:00 a.m. to 6:00 p.m., CDT; on Sunday from noon to 6:00 p.m. CDT; and thereafter from 8:00 a.m. to 8:00 p.m., CDT. Interested parties also can visit the FDIC's Web site at <http://www.fdic.gov/bank/individual/failed/firstlowndes.html>.

The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$38.3 million. First Citizens Bank's acquisition of all the deposits was the "least costly" resolution for the FDIC's DIF compared to all alternatives. First Lowndes Bank is the 36th FDIC-insured institution to fail in the nation this year, and the first in Alabama. The last FDIC-insured institution closed in the state was New South Federal Savings Bank, Irondale, on December 18, 2009.

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